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February 23, 2016

**REQUEST FOR PROPOSALS
FOR THE OPERATION AND MAINTENANCE OF THE
GRIFFITH PARK PONY RIDE CONCESSION
(CON-M16-001)(RFP)**

QUESTIONS & ANSWERS NO. 1

1. Question: The last disclosed annual income for the pony ride concession is 2014. Would it be possible for you to disclose the twelve 2015 Monthly Gross Receipts and Revenue Sharing Reports?

Answer:

2015 Pony Ride Concession

	Gross Receipts	20% of Gross
Jan-15	\$ 60,676.00	\$ 12,135.20
Feb-15	\$ 51,705.00	\$ 10,341.00
Mar-15	\$ 59,031.00	\$ 11,806.20
Apr-15	\$ 61,983.00	\$ 12,396.60
May-15	\$ 60,231.00	\$ 12,046.20
Jun-15	\$ 58,950.00	\$ 11,790.00
Jul-15	\$ 70,815.00	\$ 14,163.00
Aug-15	\$ 65,382.00	\$ 13,076.40
Sep-15	\$ 47,364.00	\$ 9,472.80
Oct-15	\$ 38,835.00	\$ 7,767.00
Nov-15	\$ 55,575.00	\$ 11,115.00
Dec-15	\$ 42,396.00	\$ 8,479.20
Total	\$672,943.00	\$134,588.60

2. Question: Is it possible to "estimate" a time frame for the entire process from submittal deadline to actual new concessionaire operations start date? The reason I am asking is for accuracy in projecting the income and expense start month for the year 2016 projection.

Answer: Staff is working diligently to award the concession as soon as possible. Due to the nature of the RFP process, it is not possible to determine a projected start date at this time.

3. Question: We received via LA BAVN, a request to bid on the Griffith Park project. We would very much like to submit our proposal, but first would like to know if this happens to be a Prevailing Wage project.

Answer: This RFP is a service contract and is subject to the Living Wage Ordinance (RFP Exhibit D, Section F). However, there are requirements within the contract that require construction improvements. All construction personnel who actually work on a project are required to receive prevailing wages. The City of Los Angeles, Bureau of Contract Administration, Labor Compliance Division provides education, assistance and direction to contractors doing work for the City and can be contacted at (213) 847-2662 for more information regarding prevailing wage requirements.

4. Question: I received an email with the bid information for the Griffith Park Pony Ride Concession. We are a Termite and Pest Control company certified as a SBE. I am not familiar with your bid process so I am not sure if we would be bidding for the Pest Control part of the bid as a prime-contractor or would be possibly selected by a prime-contractor as a sub-contractor. If selected by a prime-contractor who would we make ourselves available to the prime-contractors?

Answer: You received information regarding the Griffith Park Pony Ride concession RFP because your company is registered with the Los Angeles Business Assistance Virtual Network (BAVN). Based on your company's profile and the NAICS codes selected for your company, you were identified as a potential subcontractor for a current opportunity. As a part of the Business Inclusion Program (BIP) requirement, all respondents to a RFP must perform outreach efforts to MBE/WBE/SBE/EBE/DVE/OBE certified firms. (RFP Exhibit D, Section G) If your company is included as part of the outreach effort, a letter from the responding bidder will be forwarded to your company through the BAVN system. Interested subcontractors can at that time respond to request for information from the bidder.

5. Question: We have been in business for over 22 years and at one time we were certified as a MBE, but later that certification was no longer available. We are looking to get certified once again. If we were to be also certified as a Minority owned business would we have a better chance at being selected as a sub-contractor?

Answer: As mentioned above, in the compliance documents section of the RFP, the Business Inclusion Program requires all respondents to RFP's to perform outreach efforts to potential subcontractors in areas identified by the Department where subcontracting opportunities may exist (Exhibit D, Section G). Outreach efforts must be made to MBE/WBE/SBE/EBE/DVE/OBE certified firms; therefore, your certification as a MBE company will allow you to be eligible to proposers for inclusion in their outreach efforts which can possibly increase your chance of being selected as a sub-contractor.

6. Question: I noticed on the Sub NAICS pest control was listed as one of the requests but as I was going through the RFP I could not locate any information regarding pest control

services/needs and/or the bidding information for the locations issues to be resolved and in compliance. Would we be able to submit a proposal for pest control for the location or are we supposed to be in combination for the other services that are being requested?

Answer: Information regarding the concessions' need for pest control services is included in the Sample Agreement (RFP Exhibit E, Section 10.F). This service has been identified by the Department as a potential subcontracting opportunity. Outreach efforts must be made by the proposer to certified MBE/WBE/SBE/EBE/DVE/OBE firms for this service as part of the Business Inclusion Program requirement for the RFP (RFP Exhibit D, Section G). Primes may request bids from potential subcontractors during this time.

7. Question: The SBE goals seem very high for this contract - most professional services contracts are in the range of 20-25%. Is a proposer only deemed compliant if they meet the 58% SBE requirement, as listed on page 22 of 204?

*Answer: The Small Business Enterprise (SBE) goal for this RFP is twenty-five percent (25%). All percentages listed represent the Department's target goal in each of the categories. Proposers are highly encouraged to try to meet the set goals. Proposer not meeting the percentages will not necessarily be deemed non-compliant. However, **compliance with the BIP Outreach requirements is mandatory**. Bidders are required to send notifications to a sufficient number of firms in each potential work area as determined by the City. Bidders that do not meet the minimum number of contacts in their outreach efforts as set in BAVN will be deemed non-responsive.*

See Attachment A or download the Los Angeles Business Assistance Virtual Network (BAVN), BIP Outreach Process Manual (Manual) on www.labavn.org.

- b. Questions: Are there penalties if these goals are not met on a yearly basis? (Please expand on what acceptable levels would be.) As stated on page 22, the anticipated participation levels are as follows:

MBE Participation: 18%
WBE Participation: 4%
SBE Participation: 25%
EBE Participation: 8%
DVBE Participation: 3%

Answer: The City has the right to terminate the contract for non-compliance with the terms of the executed agreement. (Sample Agreement Exhibit A PSC-10.B) As stated in the Sample Agreement (RFP Exhibit E, Section 16.F), it is expected that the successful proposer will agree to utilize the services of certified MBE/WBE/SBE/EBE/DVE/OBE firms on a level so designated in its proposal, Schedule A (Sample Agreement Exhibit G). During the term of the Agreement, the Concessionaire must submit the certified MBE/WBE/SBE/EBE/DVE/OBE Utilization Profile, Schedule B (Sample Agreement Exhibit H) when submitting the Monthly Remittance Advice. Upon completion of the project, a

summary of these records shall be prepared on the "Final Subcontracting Report" form, Schedule C (Sample Agreement Exhibit I) and certified correct.

- c. Question: Do the SBE firms need to be registered through a specific agency or department, (or just classify which NAICS code(s) they qualify for)? (Page 22 of 204)

Answer: Yes. The City recognizes Minority or Women Business Enterprise (MBE/WBE) certifications issued by 1) City of Los Angeles, Bureau of Contract Administration; 2) State of California Department of Transportation (Caltrans); 3) Los Angeles County Metropolitan Transportation Authority (Metro); 4) Southern California Minority Business Development Council (SCMBDC) for MBE certifications only; or 5) any certifying agency that is a part of the State of California Unified Certification Program (CUCP) so long as the certification meets all of the City of Los Angeles' MBE/WBE certification requirements.

Certification as a Small or Emerging Business Enterprise (SBE/EBE) must be certified by either: 1) City of Los Angeles, Bureau of Contract Administration; or 2) State of California, Office of Small Business & Disabled Veterans Business Enterprise Services so long as the certification meets all of the City of Los Angeles' SBE or EBE certification criteria. Note: The State of California does not offer EBE certifications. For the purposes of this program, the State's Microbusiness certification will be considered synonymous with the City's EBE certification.

Certification as a Disabled Veteran Business Enterprise (DVBE) must be certified by the State of California, Office of Small Business & Disabled Veterans Business Enterprise Services.

During the BAVN registration process, firms are required to select NAICS codes that apply.

8. Question: Who is the incumbent for this contract, and how many years to date have they performed work in this role, for the City?

Answer: The concession is currently operated by The Bronk family and has been since 1980.

9. Question: In the minimum requirements section "Proposal Items" on page 3-6 (on the page/pg 5-8 of 204 electronically) and page 9, I did not see a requirement for personnel. Is the staff employed required to have experience in horse management? What minimum skill sets, if any, are you requiring the handlers of the ponies to have, in order to ensure the safety and well-being of both the clientele and the ponies servicing them?

Answer: Proposers must submit information regarding their background and experience in providing pony ride services similar to this concession as part of the Level I submission requirements. A minimum of five (5) years' experience operating a similar pony ride service is required which must include information regarding personnel (RFP Exhibit C, Section 2.1.5, Section 2.1.6 and Section 2.4.1). The Personnel section of the Sample Agreement further

states the requirements of the concession personnel. (RFP Exhibit E, Section E)

10. Question: Is the awarded contractor expected to provide the ponies for the concession stand as part of the contract?

Answer: Yes. The Sample Agreement states that the Concessionaire must provide at its sole expense a minimum of fifty (50) well-trained ponies suitable for children to ride safely. (RFP Exhibit E, Section H.1)

11. Question: If the answer is yes to question #10, can the awarded contractor bill the City of LA for the cost of each pony as part of the contract?

Answer: No, the Concessionaire must provide the ponies at its sole expense. (RFP Exhibit E, Section H.1)

12. Question: How will RAP confirm that proposers have the needed ponies and equipment? Is there an inspection process?

Answer: The Department will confirm that proposers have the needed ponies and equipment for the concession through an extensive proposal evaluation process. All proposals will be evaluated at two levels: Level I consisting of compliance with RFP submission requirements and Level II consisting of an evaluation of a business plan, a proposed operational plan, a proposed revenue-sharing payment, and proposed concession improvements (RFP Section V.A). Interviews of the proposers by an evaluation panel will be scheduled for the purpose of clarifying matters in the proposals or responding to questions by the evaluation panel. Additionally, the Department reserves the right to request additional information or conduct investigations as the City considers appropriate with respect to determining the qualifications of the respondents and any information contained in its submitted proposal.

13. Question: Do you need to have the ponies and equipment during the RFP process or can you acquire them later?

Answer: Proposers do not have to have the ponies and equipment during the RFP process; however, proof of having the required ponies and equipment by the beginning of the contract term must be shown. Proposers should include this information in their business plan.

14. Question: Do you have to use the existing system (for ride format and line formation)?

Answer: No. Proposers are required to provide high-quality and courteous service and rides on healthy and well-groomed ponies at reasonable prices to visitors; the concessionaire can determine the format and line formation to best accomplish this objective. Proposers are encouraged to consider and propose additional pony ride related business activities, services, and/or amenities at the concession facility, provided they are appropriate for the concession and compatible with other Department activities. All

activities will require approval by the Department prior to implementation.

15. Question: Why is the term of the contract so short? This proposer is concerned about such a short guaranteed operation time for such a large investment in a herd and in facility repairs.

Answer: The term of the contract was approved by the Board of Recreation and Park Commissioners on December 9, 2015.

16. Question: Do we have to keep the concession here on the grounds? Can you operate the concession in a different area of the park on busy days (weekends and holidays)?

Answer: The Griffith Park Pony Ride concession can only be operated within the areas as defined on the concession premise map (RFP Exhibit A).

17. Question: RFP page 1, sec. II. 5 year Agreement with 3 one year extensions. Would the proposal be found non-responsive if it proposed a longer term such as 25, 40 or more years?

Answer: Yes, the proposal would be found non-responsive. The Board approved contract term is for five (5) years with three (3) one (1) year extension options exercisable at the discretion of the Department's General Manager. (RFP, Page 1, Section II)

18. Question: RFP page 5, sec. C Proposed Revenue-Sharing Payment. As long as the City receives the Minimum Acceptable Revenue-Sharing Payment for this RFP (\$150,000 - \$215,000 as outlined in the RFP), would a proposal be found non-responsive if the proposed percentage of gross receipts was lower than 25%?

Answer: Yes, the proposal would be found non-responsive if the proposed percentage of gross receipts is less than 25%. The minimum acceptable revenue-sharing payment is \$150,000 for years 1 and 2 of the agreement, \$180,000 for years 3 -5 of the agreement, and \$215,000 for years 6 - 8 of the agreement OR 25% of the gross receipts from all sales, whichever is greater. (RFP Section IV.C)

19. Question: Regarding repairs, besides the list on page 6 of the RFP, is there a website that more fully details the extent of the work to be done?

Answer: No, there is not a website that details the work to be done. The Department's Construction and Maintenance Division conducted an inspection of the concession and identified the improvements needed.

20. Question: What were the recommended findings on the repair of the roof?

Answer: The findings showed that minor roof repairs are needed and the recommendation included applying an elastomeric coating.

21. On the RFP Exhibit F, Pro Forma Financial Statements Submittal Form worksheet, in col 1, the green triangle in the upper left corner of the cell is in the Gross Margin % column. Should it be in the Gross Margin column?

Answer: A green triangle in the upper-left corner of a cell indicates an error in the formula in the cell. The formulas that are set for the Gross Margin and Gross Margin % rows are correct. The formula set is dividing by zero which is why an error code currently appears. Once revenue values are inserted into the worksheet, the error code will go away.

22. On the Pro Forma Financial Statements Submittal Form the values do not carry over and add up from year 5 to year 6 in the Break Even Analysis at the bottom of the form.

Answer: Thank you for your observation. The value of the number in the Break Even Analysis from year five should carry over to year six. The worksheet has been updated and a revised Pro Forma worksheet has been uploaded to both BAVN and the website.